

554.9206 Security interest arising in purchase or delivery of financial asset.

1. *Security interest when person buys through securities intermediary.* A security interest in favor of a securities intermediary attaches to a person's security entitlement if:

a. the person buys a financial asset through the securities intermediary in a transaction in which the person is obligated to pay the purchase price to the securities intermediary at the time of the purchase; and

b. the securities intermediary credits the financial asset to the buyer's securities account before the buyer pays the securities intermediary.

2. *Security interest secures obligation to pay for financial asset.* The security interest described in [subsection 1](#) secures the person's obligation to pay for the financial asset.

3. *Security interest in payment against delivery transaction.* A security interest in favor of a person that delivers a certificated security or other financial asset represented by a writing attaches to the security or other financial asset if:

a. the security or other financial asset:

(1) in the ordinary course of business is transferred by delivery with any necessary indorsement or assignment; and

(2) is delivered under an agreement between persons in the business of dealing with such securities or financial assets; and

b. the agreement calls for delivery against payment.

4. *Security interest secures obligation to pay for delivery.* The security interest described in [subsection 3](#) secures the obligation to make payment for the delivery.

2000 Acts, ch 1149, §16, 185, 187

Referred to in §554.9203, §554.9309